

Press Release



Telefónica Tech and IBM Sign a New Collaboration Agreement to Drive the Development of Al, Analytics and Data Management Solutions for Enterprises



Left to right: Adolfo Hernández Pulido (IBM) and Elena Gil Lizasoain (Telefónica Tech)

- The two companies will deploy SHARK.X, an open, hybrid and multi-cloud hardware and software platform specialized in analytics, data management and AI.
- Telefónica Tech and IBM will create a use case office to develop customer pilots.
- The news collaboration agreement will promote training and education actions to develop and scale digital transformation projects in the business sector and public administration based on these technologies.

Madrid, June 18, 2024. Telefónica Tech and IBM today announced a new collaboration agreement to drive the deployment of Artificial Intelligence (AI), analytics and data governance solutions and respond to the constant and dynamically evolving needs of enterprises. The agreement, initially limited to Spain, establishes a framework of collaboration between the two companies to help their customers deal with the complexity of managing new technologies in a heterogeneous and changing environment and to extract the full value of these technologies in their business processes.

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According to findings in <u>IBM Global AI Adoption Index study</u>, almost half of the companies in Spain that are already working with AI claim that they have accelerated their investments in this technology in the last 24 months. This highlights the need to provide the business landscape with tools and solutions that drive their digital transformation journeys, in which AI plays a prominent role.

Through this new collaboration, the companies will work together on the development and deployment of an open, hybrid and multi-cloud platform, specializing in data management and AI to facilitate and accelerate business initiatives for customers, a use case office, demonstrations and development of MVPs; and the implementation of resources, training and certifications. Last year IBM launched the watsonx AI and Data platform, which will be at the heart of the collaboration agreement.

Elena Gil Lizasoain, director of the Artificial Intelligence and Data business unit at Telefónica Tech, said: "This new collaboration with IBM will help drive the many benefits of Artificial Intelligence, traditional and generative, and proper data management in the business world. By combining the knowledge of both teams, we will continue to advance in the construction of use cases aimed at creating more efficient and sustainable businesses."

Adolfo Hernández Pulido Technology Managing Director for Telefónica at IBM added: "This collaboration is another step in our long history of working with Telefónica Tech. Together, we are accelerating the digital transformation of the Spanish business community, enabling the development of innovative technology solutions that will help companies adapt to the AI era. Analytics, data governance and the correct deployment of AI are key elements for today's business success, and we both share the commitment to help businesses achieve it."

Technology and co-creation to provide answers to real business needs

Telefónica Tech and IBM will launch a use case office, made up of highly qualified professionals from both companies, to promote and coordinate the definition and development of use cases, proofs of concept, and MVPs to accelerate business development and further showcase the value available to clients through the use of these technologies.

IBM Client Engineering, the IBM team that helps solve business challenges through cocreation and innovative work with experts, will play an important role in the use case office, as will the Telefónica Tech professionals who brings extensive technical knowledge and experience in the implementation of AI in the business sector.

The collaboration is already providing generative AI solutions to its customers that include code generation for IT applications, automation of processes and incidents, cognitive assistants in industrial operations, advice and customer service, analytics, processing and management of audiovisual content and text documents.

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IBM and Telefónica Tech have a strong history of collaboration that includes hybrid cloud-based solutions, such as TROS, Telefónica Tech's multi-cloud service based on RedHat OpenShift; integrated AI for the creation of virtual assistants to improve customer service; and optimized supply chain management to increase the traceability of business assets with blockchain. This joint effort is the next step in the fruitful relationship in which both companies continue to drive innovation and digital business transformation through the implementation of cutting-edge technologies.

SHARK.X, the new platform to drive end-to-end Al deployment

SHARK.X, a new and innovative open, hybrid and multi-cloud platform that hosts different IBM hardware and software components, with access to IBM Cloud and other clouds, where the native hyperconverged IBM Storage Fusion HCI infrastructure for running enterprise applications stands out, will be deployed in Telefónica Tech's La Cabina facility, which is Telefónica's technological inspiration centre for the digital transformation of companies and public administrations.

Telefónica Tech will provide specialized professional services to define the most appropriate deployment architecture for each customer and integrate the solution into their environment, as well as ingest data from different sources and develop artificial intelligence use cases aimed at addressing their business priorities. It will also provide advice in the field of data governance and artificial intelligence models and in the field of regulatory and ethical compliance, which is especially relevant with the new regulations approved in the European Union.

At the software level, SHARK.X will include several IBM technologies that will cover the entire value chain associated with enterprise data management, analytics and management of enterprise data. SHARK.X will host IBM Cloud Pak for Data to enable data collection, organization, analysis and governance; it will include the IBM watsonx AI and Data platform to build, deploy and scale AI applications in a simple, secured and governed way; as well as Cognos and Planning Analytics, which enables collaborative business intelligence, planning and reporting solutions.

With these capabilities, the SHARK:X platform will address both traditional and generative AI initiatives and address end-to-end data governance and management while providing a Lakehouse as a robust enterprise data management solution, helping address data security and protection, and delivering business intelligence, planning, optimization and reporting.

About Telefónica Tech

Telefónica Tech is the leading company in digital transformation. The company offers a wide range of services and integrated technological solutions for Cyber Security, Cloud, IoT, Big Data and Blockchain. For more information, please visit: https://telefonicatech.com/

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About IBM

IBM is a leading provider of global hybrid cloud and AI, and consulting expertise. We help clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs and gain the competitive edge in their industries. More than 4,000 government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and consulting deliver open and flexible options to our clients. All of this is backed by IBM's long-standing commitment to trust, transparency, responsibility, inclusivity and service. Visit www.ibm.com for more information.

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